

# SIMPLY SPEAKING *news*

## my 1 PER CENT ADVANTAGE calculator

Sometimes we get so busy we forget to make sure our contributions are keeping up with our retirement goals. With this easy-to-use calculator, you'll discover that saving more today – even as little as one per cent – can make a big difference to your future retirement income.

For your convenience, *My 1 per cent advantage* is available on:

- *GRS Access* – in the Learning centre, under *Smart tools*
- [www.my1percentadvantage.ca](http://www.my1percentadvantage.ca) – includes a mobile-friendly version for BlackBerry® devices or the iPhone®

Check out this great new tool today to see how much a contribution increase can mean for your future.



### Contact us



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## Your investments and HST

The harmonized sales tax (HST) is a federally-administered tax that combines the goods and services tax (GST) and the provincial sales tax (PST) into a single sales tax. Effective July 1, HST is new in Ontario and British Columbia, while new rules now make the tax in the existing HST provinces applicable to all funds.

For investors, this means HST will be payable on fund management fees and other fund expenses or service charges. Up until now, only GST was charged.

Industry associations continue to express concerns regarding the effects of this tax on Canadians' ability to save and invest for retirement and other purposes.

If you have any questions about how HST will affect your investments, please call *Access Line*.

## Customizing *GRS* Access for you

We're working steadily to enhance your website experience, so you have quick and easy access to information and resources. One initiative planned for later this year is a fresh new home page that will display information in blocks known as widgets. These can be moved and collapsed so you can customize your own at-a-glance view with key information.

Widgets are pieces of information that can be moved around or changed on a website, depending on the user's preference. To see an example of a widget, go to [www.google.ca/ig](http://www.google.ca/ig).





## > GETTING started

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### Make the most of our online resources

You've taken an important first step towards achieving your retirement and savings goals by joining a group plan. To help you stay on track with your goals, consider *GRS Access* your 24/7 resource. In particular, the Learning centre features *Smart tools*, where you'll find educational articles and videos. Later this year, we'll be adding three new videos to this selection.

You can also easily manage your portfolio online with these features:

- Transfer assets between funds
- Update or change your contact information
- Choose how much information is included on your mailed statements
- Change the future direction of contributions or maturing investments

Take some time today to get acquainted with all the features and tools at your fingertips.

## > GETTING serious

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### Are you on track with your goals?

Life is full of changes that can impact your retirement and savings goals. That's why it's important to regularly complete the *Investment personality questionnaire* to ensure your investments and risk tolerance are still in line with your goals.

For example, when you first completed the questionnaire, you may have discovered you were an aggressive risk-taker, and based your investment selections on this assessment. Since then, you've likely had some significant life changes and progressed with your goals. Take some time again to complete the questionnaire, on *GRS Access* under Planning & learning > Plan your retirement.

Great-West investment and retirement specialists can also offer you information and guidance, and can be reached through *Access Line*. You may also want to speak with a qualified financial security advisor.

## > GETTING close

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### Changes to Canada pension plan

Some proposed changes to the Canada pension plan (CPP) could affect your retirement income planning.

Currently, if you want to receive CPP benefits earlier than age 65, you're required to stop working or have a reduced income two months before receiving benefits. One proposed change by the federal government eliminates this two-month waiting period.

Starting in 2012, the average earnings calculation used to determine your benefits will change from 15 per cent to 16 per cent and then 17 per cent by 2014. This proposed change will increase the amount of lower earnings from your average earnings calculation resulting in a higher CPP benefit amount.

Currently, early CPP payments get reduced by 0.5 per cent until a pensioner turns 65. Under the proposed changes, these payments would get reduced further, by 0.6 per cent in 2012. Starting in 2011, payments that begin after a pensioner has turned 65 will increase by 0.7 per cent, monthly.

These proposed changes mean it's even more important for you to review your sources of retirement income and consult with your financial security advisor on the best choices for you.



## Investing quiz

Take this short quiz to test your investing know-how. Just select the best choice for each question. Good luck, and try not to peek at the answers!

- 1. An investing technique intended to minimize risk by investing in a number of different funds is called:**  
(a) Vesting (b) Rates of return (c) Diversification
- 2. A well-diversified portfolio:**  
(a) Eliminates market risk but not inflation risk  
(b) Tends to minimize all types of risk  
(c) Eliminates neither market nor political risk
- 3. A group, or category, of similar investments is called:**  
(a) An asset class  
(b) A market grouping  
(c) A family of funds
- 4. The cost, or value, of one unit of an investment fund is referred to as:**  
(a) Dollar value (b) Unit value (c) Market value
- 5. The measurement of an investment's performance over a specified period of time is called:**  
(a) Capital risk (b) Interest (c) Rate of return
- 6. Dollar cost averaging:**  
(a) Determines fees  
(b) Smooths out the effects of market fluctuations  
(c) Is part of an incentive plan
- 7. A fee paid to the investment manager for their professional services, including the daily management of each fund, is called:**  
(a) Investment management fee  
(b) Operating expenses  
(c) Book value
- 8. To maintain your current lifestyle in retirement, what suggested percentage of your annual employment income will you need?**  
(a) 100% (b) 40% (c) 70%
- 9. Risk tolerance is your ability to:**  
(a) Understand risks  
(b) Withstand market volatility  
(c) Measure inflation

**To learn more about investing, check out our many helpful educational tools and resources in the Learning centre on *GRS Access*.**

Answers: 1) c 2) b 3) a 4) b 5) c 6) b 7) a 8) c 9) b

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